

New Jersey Department of Community Affairs

Office of Main Street New Jersey & Improvement District Programs

Program Requirements/Guidelines

Downtown Business Improvement Zone Loan Fund

Purpose of the Downtown Business Improvement Zone (DBIZ) Loan Fund

To assist municipalities and Improvement Districts (IDs) with public physical improvements and improvements otherwise benefiting the public sphere directly or indirectly within designated Business Improvement Zones per **P.L. 1998, c.115, N.J.S.A. C.40: 56-71.3, as amended**. The DBIZ Loan Fund is designed to provide long-term 0% loan funds to District Management Corporations (DMCs) in partnership with their respective municipalities (or municipalities in partnership with their DMCs) to aid with implementation costs for this range of physical improvements.

Eligible Applicants for the Downtown Business Improvement Zone Loan Fund

Eligible applicants may be any New Jersey municipality with one or more established Improvement Districts or the assigned District Management Corporation(s) established in accordance with P.L. 1972, c.134, N.J.S.A. 40:56-71, as amended. Specifically: in SAGE, the applicant's "Eligible Applicant Designation" in their profile must be listed as "District Management Corporation (Improvement District)". Eligible applicants must partner with their municipal governments and proof of this partnership through both municipal and DMC resolutions must be furnished to make a successful application.

NOTE: Municipalities (and DMC operating therein) that have an established Urban Enterprise Zone are excluded by statute from participation in the Downtown Business Improvement Zone Loan Fund.

Eligible Costs for the Downtown Business Improvement Zone Loan Fund

The DBIZ Loan Fund is intended to provide support to purchase, lease, condemn or acquire land or an interest therein as necessary for right of way or other easement to or from the zone; relocate and move persons displaced by the acquisition of land; the rehabilitation and redevelopment of land; acquisition, construction, reconstruction, rehabilitation or installation of parking and other public facilities and improvements; costs of appraisals or other professional services directly related to effectuating the improvement.

Projects may be targeted within the entire Improvement District, or any one or more portions of that district which contains primarily businesses providing retail goods and services, as long as it is designated by municipal ordinance a Downtown Business Improvement Zone. NOTE: Buildings and facilities for the general conduct of government and schools are specifically excluded by statute regardless of being located within the DBIZ area.

Technical Assistance Meeting

The DCA requires 1 (one) technical assistance meeting as a component of the application review process. This meeting, depending on the questions or concerns regarding the application as submitted, may be conducted in Trenton or by teleconference.

Grant Range if Awarded

Type A: up to \$100,000

Type B: \$100,000-\$200,000 (as resources allow)

Loan Match Requirement

Type A loans do not require a specific match, however *typical* applications include at least a 100% Local Match of non-DBIZ Loan Fund funding in both cash and documented in-kind value. In kind value may be personnel, either paid or volunteer, as well as tangible services or items germane to the loan implementation, but in all cases must be verified and documented. The cash or in kind match may be from multiple public or private sources.

Type B loans require *at least* a 100% Local Match of non-DBIZ Loan Fund funding in cash which may come from multiple public or private sources. Additional Local Match may be of both cash and documented in-kind value, as noted above.

Maximum Percent of Advance Request

Up to 100%

Timeframe for Completion of Activities

Funds are to be expended within 24 months from the date of contract.

Application Evaluation

The highest priority for this grant is given to the assigned DMC's that, along with their municipal government, demonstrate and memorialize a synchronized vision for the Improvement District itself and the DMC's downtown management and revitalization activities. Exceeding minimum match guidelines and requirements by demonstrating both public and private additional leverage and project Return on Investment will also be taken into consideration as a significant evaluation factor.

Special consideration will be given to applications that verify a high degree of the proposed project's readiness to proceed, the degree to which borrower is able to concisely document that the public improvements are integral to implementing a comprehensive revitalization strategy or plan. Additional consideration will also be given to first-time borrowers meeting or exceeding the above primary criteria. All applications will be evaluated for completeness and accuracy.

Prior to submission please submit questions in writing to the Application Manager (Jef Buehler; jefb@dca.state.nj.us). Applications will not be accepted after the posted deadline on SAGE.